



# COVERSHEET

<b>Minister</b>	Hon Tracey Martin	<b>Portfolio</b>	Children
<b>Name of package</b>	Proactive release of Transforming our Response to Children and Young People at Risk of Harm: Pre-commitment Funding	<b>Date of issue</b>	02 August 2019

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
2 July 2018	Transforming our Response to Children and Young People at Risk of Harm: Pre-commitment Funding	Office of the Minister for Children
28 November 2018	SWC-18-MIN-00172 – Cabinet Social Wellbeing Committee Minute	SWC Committee Secretary

<b>Information withheld</b>	
<p>Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant sections of the Act that would apply have been identified. Where information has been withheld, no public interest in making the information available has been identified that would outweigh the reasons for withholding it.</p>	
<b>Section of the Act</b>	<b>Reason for withholding</b>
N/A	N/A

## BUDGET – SENSITIVE

Office of the Minister for Children

Chair, Cabinet Social Wellbeing Committee

### **TRANSFORMING OUR RESPONSE TO CHILDREN AND YOUNG PEOPLE AT RISK OF HARM: PRE-COMMITMENT FUNDING**

#### **Proposal**

- 1 I am seeking agreement to a pre-commitment of \$17.700 million in 2018/19, and \$73.786 million in the following four years, from the Budget 2019 operating allowance. This is a total of \$91.486 million in the five years ending 2022/23. It is required to make essential preparatory changes to meet new legislative obligations relating to the care system, transition support service and information sharing that will be implemented by Oranga Tamariki—Ministry for Children (Oranga Tamariki).
- 2 I am also seeking Cabinet agreement to a funding appropriation to correct an error that has prevented funds being directed to the right appropriation.

#### **Executive summary**

- 3 Oranga Tamariki is developing and implementing a new child-centred operating model to fundamentally transform the service response to this country's most at-risk children and young people and make a positive difference in their lives, and those of their families and whānau.
- 4 Significant changes have been made to the legislative and regulatory frameworks which underpin the new operating model and the direction of Oranga Tamariki. These changes come into force on 1 July 2019.
- 5 On 5 November 2018 Cabinet made decisions on a suite of six papers which outlined the investment proposals across the operating model [CAB-18-MIN-0544 and SWC-18-MIN-0148 to SWC-18-MIN-0153 refer]. These decisions are in line with legislative changes to the Oranga Tamariki Act 1989 (the Act) that will come into effect on 1 July 2019. I am seeking the funding (in Budget 2019) that will be required from 1 July 2019.
- 6 In that suite of papers, I outlined that my initial focus would be on responding to children and young people whose wellbeing is at greatest risk, and who will be supported through four of the core functions of the new operating model: intensive intervention, care, youth justice and transition support.
- 7 The package I presented set out what is required after 1 July 2019 to implement the operating model over the next four years.
- 8 Some funding has already been provided to support limited implementation. However, critical areas remain that require essential preparation so that Oranga Tamariki is able to deliver on the legislative changes from 1 July 2019.
- 9 Funding is required to support the transformation of the care system in line with the new Oranga Tamariki (National Care Standards and Related Matters) Regulations 2018 (National

Care Standards) and the introduction of a transitions support service for young people moving from care or a youth justice residence into adulthood. Additional funding is needed to deliver on new legislative requirements around information sharing for child welfare and protection agencies.

- 10 Since its establishment on 1 April 2017, Oranga Tamariki has focussed on building its core foundations. Further changes are essential to prepare Oranga Tamariki to meet its legislative commitments on 1 July 2019. Current funding is not sufficient to manage change of this magnitude and it is not possible for Oranga Tamariki to resource it without diverting money from frontline services for children.
- 11 I am seeking agreement to a pre-commitment of \$17.700 million in 2018/19, and \$73.786 million in the following four years, from the Budget 2019 operating allowance. This is a total of \$91.486 million in the five years ending 2022/23. This investment will focus on three key areas: increasing the capacity of the Oranga Tamariki workforce (social workers and transitions specialists), implementation resources and changes to systems. If Cabinet approves the pre-commitment funding, then I will reduce my Budget 2019 initiatives by \$73.786 million – the full amount of pre-commitment funding for the four years ending 2022/23.
- 12 I am also seeking Cabinet’s agreement to a funding appropriation of \$2.2 million to correct an error that has prevented funds being directed to the correct appropriation.

## Background

*Oranga Tamariki is building a new operating model to transform its service response*

- 13 Oranga Tamariki is building a system that aims to make a difference for a child or young person at the earliest possible point, which will:
  - 13.1. keep more children and young people safely with their families and whānau
  - 13.2. provide children and young people with high quality alternative care when this is required
  - 13.3. ensure children and young people in care or custody can transition to independence with appropriate support.
- 14 On 5 November 2018 Cabinet agreed to the policy direction being sought across the new Oranga Tamariki operating model ahead of the development of detailed Budget proposals [CAB-18-MIN-0544 and SWC-18-MIN-0148 to SWC-18-MIN-0153 refer]. These proposals are largely being driven by legislative changes that will come into effect on 1 July 2019. This included decisions on the following:
  - 14.1. **Care system:** transforming the care system to significantly improve the delivery of care and support to children and young people in the custody of the chief executive of Oranga Tamariki under Part 2 of the Act, or who are in the legal custody of a body or organisation approved under section 396 of the Act [SWC-18-MIN-0151 refers].
  - 14.2. **Transition support:** establishing a new transition support service which will ensure that young people leaving care or a youth justice residence are supported in their transition to adulthood and independence [SWC-18-MIN-0153 refers].

14.3. **Intensive intervention:** delivering an intensive intervention approach to support children at risk of harm to stay safely with their families and whānau, and prevent them from entering and re-entering state care [SWC-18-MIN-0150 refers].

14.4. **Youth justice system:** establishing new small community-based youth justice facilities to provide sufficient placements for 17 year-olds and align services, interventions and practice with new legislative requirements [SWC-18-MIN-0152 refers].

15 Oranga Tamariki is developing clear plans to implement these decisions, and I am seeking the funding (in Budget 2019) that will be required from 1 July 2019.

*Funding is required to make immediate preparatory changes before 1 July 2019*

16 Cabinet noted that I would report back in November 2018 to resource immediate work needed before 1 July 2019 to meet the new legislative obligations through pre-commitment funding from Budget 2019 [SWC-18-MIN-0148; SWC-18-MIN-0151; SWC-18-MIN-0153 refer].

17 A significant amount of work is required by Oranga Tamariki to implement the changes agreed by Cabinet. Most of those changes do not need to be made prior to 1 July 2019 including, for example, the phased introduction of intensive intervention. Progress towards the full operating model will be phased over four years, subject to funding from Budget 2019.

18 Some other legislated changes that require preparatory work before 1 July were funded through Budget 2018 – for example, preparing for 17 year olds to be part of the youth justice system.

19 There are other legislative changes where essential preparatory work must be completed by 1 July and where Oranga Tamariki has not received funding. These changes are substantial, and it is not possible for Oranga Tamariki to resource these changes from baselines without diverting money from frontline services for children. These areas are:

19.1. transforming the care system as required by the National Care Standards<sup>1</sup>

19.2. introducing a new transition support service as required by the Act (some funding was provided to implement some pilot programmes)<sup>2</sup>

19.3. meeting new requirements around information sharing for child welfare and protection agencies that also come into effect from 1 July 2019.<sup>3</sup>

1 The National Care Standards signal the new direction of the care system and provide a strong mandate for change. The National Care Standards represent a significant shift in practice and service provision in order to achieve better outcomes for some of New Zealand's highest needs and most at risk children.

2 This includes a new entitlement for young people who have been in care to remain, or return to, living with a caregiver from age 18 to 21, and a new duty to take reasonable steps to maintain contact with young people up to the age 21 when they have been in care or a youth justice residence. The legislative amendments also include an extension to the current duties around the provision of advice and assistance to young people up to the age of 25 who have been in care or a youth justice residence.

3 The new information sharing provisions in the Act come into force on 1 July 2019. They are intended to support all components of the new operating model for Oranga Tamariki, and also improve information sharing across the wider sector. The new provisions provide more detail about what information can be used for, whom it can be shared with, and when it may not be appropriate to share information.

## The preparatory changes that need to be made before 1 July 2019

### *Investment is required across three areas*

- 20 Oranga Tamariki has identified the critical changes that need to take place prior to 1 July 2019 to meet the legislative changes relating to the care system, transitions support service and information sharing.
- 21 I am proposing investment of \$17.700 million in 2018/19, and \$73.786 million in the following four years. This is a total of \$91.486 million in the five years ending 2022/23. It is required to cover the cost of the required preparatory changes, in 2018/19, across three areas:
- 21.1. frontline workforce changes (for both the care system and the transition support service)
  - 21.2. implementation resources
  - 21.3. system changes.
- 22 Further details across these areas of investment are set out below.

### *Frontline workforce changes*

- 23 A core component of implementing the operating model will be building and developing the frontline workforce. From 1 July 2019, the legislative changes will have a noticeable and significant impact on the frontline workforce who will be responsible for fulfilling the majority of the new requirements.

### Frontline workforce changes required within the care system

- 24 In order to meet the National Care Standards on day one, 1 July 2019, it is critical that there are additional social workers and frontline support workers recruited, and trained to deliver the standard of care required.
- 25 From 1 July 2019, there will be a significant increase in the time required of frontline staff to meet the requirements in the National Care Standards. I am aware that social worker caseloads are currently too high, which is a barrier to achieving consistently high quality practice nationally.
- 26 Recruiting and training staff so they are ready on day one of the legislative changes means it is essential to increase frontline capacity this financial year. This will ensure there are a core number of frontline workers ready to meet the legislative requirements as Oranga Tamariki continues to build and embed the changes to the care system after 1 July 2019.
- 27 A minimum average of one additional frontline worker will be required at each site before 1 July 2019 to ensure that Oranga Tamariki is in a tenable position to meet the new legislative requirements.<sup>4</sup> Current recruitment is showing positive results, and I am confident that Oranga Tamariki will be able to recruit the additional staff. Oranga Tamariki is refreshing the assessment centre model that it successfully used in 2017.<sup>5</sup> It is also preparing a recruitment campaign in the New Year which will include an alumni programme.

4 Oranga Tamariki has 65 sites that are located in 11 regions.

5 131 people attended the assessment centre, and 61% (80) were identified as suitable candidates, in a 12 week process. Only 70 were appointed as this was the number of available positions.

- 28 I expect that the pay equity settlement for Oranga Tamariki social workers will assist significantly in addressing some of the previous barriers to attracting and recruiting statutory social work staff. Oranga Tamariki will also use support workers and paraprofessional roles to ensure that social workers have the capacity to focus on the core tasks required under the National Care Standards.
- 29 Contracted care providers, that partner with Oranga Tamariki to provide services to children and young people in care and their caregivers, will also need to recruit additional frontline workers.
- 30 Further recruitment will be required over the four years from 1 July 2019 to further reduce caseload ratios and enable frontline social workers to meet the National Care Standards.

#### Frontline workforce changes required to support the new transition support service

- 31 The legislative changes require that the new transition support service is established by 1 July 2019. Cabinet has agreed that this service will:
- 31.1. take a relationship-based focus in which a transition worker builds and maintains a relationship with the young person to support them as they transition into adulthood
  - 31.2. start preparation and planning as early as practicable, while the young person is still in care or a youth justice residence [SWC-18-MIN-0153 refers].
- 32 Oranga Tamariki needs to recruit a minimum of three transitions specialists in each region from March 2019 so that they are in place in every region by the time these services are required from 1 July 2019.<sup>6</sup> Transition specialists will start preparing the first cohort of young people who are about to age out of care or a youth justice residence.<sup>7</sup>
- 33 Cabinet has agreed that the transition support service will provide 24-hour after-hours crisis support and be able to respond practically to any reasonable request for financial assistance [SWC-18-MIN-0153 refers]. To achieve this, Oranga Tamariki, needs to recruit six staff for its National Contact Centre from 1 April 2019. This will allow time for them to develop processes and systems to respond to requests for advice and assistance and make referrals to other services.<sup>8</sup>

#### *Implementation resources*

- 34 The overall scale of change for Oranga Tamariki will put significant pressure on its existing functions. Implementation resources will be needed to ensure that work on planning, design, professional development and communication is completed in preparation for 1 July 2019.
- 35 The magnitude of the change for a new organisation is beyond the capacity of the existing Learning and Capability Development and Communications and Engagement teams within Oranga Tamariki. Programme co-ordination and change management resources are also required to mobilise the Oranga Tamariki workforce to implement the changes at every level of the organisation, from national office to the regions.

<sup>6</sup> Oranga Tamariki has 65 sites that are located in 11 regions.

<sup>7</sup> The transition specialists will initially work with 305 17 year-olds and 259 18 year-olds. They will assess needs, and prepare young people to take up services. This includes working with the young person and their caregivers.

<sup>8</sup> 5,000 young people will be eligible for advice and assistance from 1 July 2019, and it is estimated that 2,000 of them will apply for this advice and assistance in the year ending 30 June 2020.

- 36 I propose funding to support the following implementation resources:
- 36.1. National care and transition programme teams that will oversee planning for implementation. This will include driving and overseeing the design, development and deployment of policy and process changes.
  - 36.2. Regional implementation support roles to ensure frontline leaders are able to plan, prepare and execute implementation of new legislative obligations. Additional support for operational leaders and sites is critical to ensure that change can be implemented effectively alongside normal operations.
  - 36.3. Professional development, which will include providing and co-ordinating the training and follow up support for the development of the frontline workforce.
  - 36.4. Communication and engagement resources and material. This will inform and support children, young people and their families, whānau, hapū and iwi and caregivers to understand the changes to the care system that are underway. It will also explain what it means for children and young people, and what they are entitled to. Resources will be produced in child-friendly language with versions that cater to different cultures, languages, learning stages, ages and disabilities.
  - 36.5. Quality assurance, monitoring and continuous improvement systems to meet new internal monitoring requirements in the National Care Standards and ensure that Oranga Tamariki is able to provide timely and comprehensive information to the independent monitor of the National Care Standards.
  - 36.6. Tools for maintaining a record of life events. This will include designing and developing an IT solution (such as an app) and distributing physical storage materials (folders and containers) to meet regulation 70 of the National Care Standards.<sup>9</sup>
  - 36.7. Preparation by NGOs that partner with Oranga Tamariki, that support nearly 700 children in care at any one time, to make equivalent improvements to the quality of the care they provide (including practice and systems updates, cultural advice and support, and travel to professional development which will be shared by Oranga Tamariki).
  - 36.8. Preparation of information sharing guidelines and communication material, providing training for frontline Oranga Tamariki staff, and employing staff to be ready to answer phone queries and provide advice relating to the new information sharing provisions.

### *System changes*

- 37 Oranga Tamariki needs to change how it collects and manages information about the children, young people and caregivers it supports. Oranga Tamariki must make changes to its existing Oranga Tamariki CYRAS case management system to enable it to:<sup>10</sup>
- 37.1. capture information to meet the planning and review requirements of the National Care Standards adequately
  - 37.2. manage the new cohort of young people transitioning within the system, including their new entitlements.

<sup>9</sup> This requires that for every child or young person in care, records of important life events, achievements, relationships, and other taonga should be captured, collected, recorded and maintained. This could include photos, art work and school reports.

<sup>10</sup> The full name for CYRAS is Care and Protection, Youth Justice, Residential and Adoption Services.

- 38 Changes are also required to the new Oranga Tamariki Caregiver Information System so that it can capture all details relating to applications by caregivers and create and store caregiver support plans, in order to meet the National Care Standards on 1 July 2019.

### **A funding appropriation is required to correct an error**

- 39 I am seeking Cabinet agreement to a funding appropriation to correct an error that has prevented funds being directed to the correct appropriation.
- 40 On 19 December 2016 Cabinet approved \$4.5 million for the *Transformation Programme: Investing in New Zealand Children and Their Families* appropriation to fund the *Engaging all New Zealanders* programme [SOC-16-MIN-0196 refers].
- 41 In May 2018 an in-principle expense transfer report from the Minister for Children to the Minister of Finance [REP-OT/18/5/188 refers] contained an error when it requested an in-principle expense transfer of up to \$2.2m to be carried forward to 2018/19, from the *Investing in Children and Young People* multi-category appropriation (MCA) for *Engaging all New Zealanders*. The transfer should have been requested from the *Transformation Programme: Investing in New Zealand Children and their Families* appropriation.
- 42 After consultation with both Audit New Zealand and the Treasury, it was established that the \$2.2m in-principle expense transfer could not take place into 2018/19 during the October Baseline submission for the following technical reasons:
- 42.1. Oranga Tamariki had not received any approval to transfer any amounts from *Transformation Programme: Investing in New Zealand Children and their Families* appropriation.
  - 42.2. Oranga Tamariki did not have an existing appropriation in 2018/19 in relation to *Transformation Programme: Investing in New Zealand Children and their Families* appropriation as the appropriation expired in 2017/18.
  - 42.3. Joint Ministers do not have the authority to grant authority to a transfer \$2.2m for *Engaging all New Zealanders* in the October Baseline Update from *Transformation Programme: Investing in New Zealand Children and their Families* appropriation.
- 43 To correct the error the Treasury has advised that I should seek Cabinet agreement for a funding appropriation into the departmental output expense *Investing in Children and Young People* MCA for *Engaging all New Zealanders*.

### **Financial implications**

- 44 The table below shows the total cost of the preparatory work to be completed for Oranga Tamariki to be ready for new legislative obligations that come into effect on 1 July 2019. The proposed investment covers three key areas outlined in this paper: frontline workforce recruitment, implementation resources and system changes. Additional information is contained in Appendix A.

	\$ m – increase/(decrease)					Total
	2018/19	2019/20	20120/21	2021/22	2022/23	
Frontline workforce	6.434	18.168	13.005	13.005	13.005	63.617
Implementation	7.418	5.765	5.686	1.416	1.416	21.701
System changes	3.848	0.580	0.580	0.580	0.580	6.168
<b>Total</b>	<b>17.700</b>	<b>24.513</b>	<b>19.271</b>	<b>15.001</b>	<b>15.001</b>	<b>91.486</b>

45 The funding that I am seeking for 2019/20 and outyears covers the on-going costs of employing staff and making IT changes before 1 July 2019. I am also requesting this funding as part of my care and transition support service Budget 2019 initiatives. If Cabinet approves the pre-commitment funding, then I will reduce my Budget 2019 initiatives by the full amount of pre-commitment funding of \$73.786 million provided for the four years ending 2022/23.

## Consultation

46 This paper was prepared by Oranga Tamariki. The following agencies were consulted in the preparation of this paper: the Ministries of Health, Education, Justice, Social Development, and Youth Development; the Ministry of Business, Innovation and Employment; the Ministry of Housing and Urban Development; the Ministry for Pacific Peoples; the Ministry for Women; Te Puni Kōkiri; the Department of Corrections; the New Zealand Police; the Office for Disability Issues; the Joint Venture Family Violence and Sexual Violence; the State Services Commission; the Treasury; the Policy Advisory Group, Child Wellbeing Unit and the Child Poverty Unit at the Department of the Prime Minister and Cabinet.

## Legislative implications

47 New legislation is not required to implement the proposals in this paper.

## Impact analysis

48 The impact analysis requirements do not apply to this paper.

## Human rights

49 The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993. The proposals will increase New Zealand's alignment with the United Nations Convention on the Rights of the Child (UNCROC), particularly Article 20, which provides that children should be entitled to special protection and assistance by the State where they are temporarily or permanently deprived of their family environment.<sup>11</sup> These proposals also align with the United Nations Convention on the Rights of Persons with Disabilities and New Zealand's statement of support for the United Nations Declaration on the Rights of Indigenous Peoples.

## Gender implications

50 The proposals in this paper are intended to lead to higher quality care and contribute to improved outcomes for children and young people in the care or custody of the chief executive. More boys and young men are expected to benefit from the proposals as they are slightly over represented in care, and in young people transitioning from care or a youth justice residence. Women are more likely than men to be the primary caregivers for children and young people. Therefore, the proposals that aim to provide caregivers with greater support and assistance will benefit women and their family and whānau.

11 Other Articles the proposals will increase alignment with include Articles 3.3, 8, 12, 13, 19.2, 23, 24, 25, 28, 31 and 39.

## Disability perspective

- 51 International research indicates that abuse and disability often coexist in the lives of children and young people. Children and young people who are abused are at a higher risk of developing a disability, and children with a disability are at a higher risk of being abused and neglected. There is an over-representation of disability needs in the care population.
- 52 The proposals in this paper apply to all children and young people in care or to young people who are transitioning from care or a youth justice residence, including those with disabilities. Improving the quality of assessment and planning and providing funding to meet their assessed needs, will help to deliver better outcomes for children and young people with disabilities.

## Publicity

- 53 Announcements relating to decisions on pre-commitment funding for Vote Oranga Tamariki will be considered closer to Budget release day in May 2019. Any announcements will be co-ordinated with the Offices of the Minister for Children and Finance.

## Proactive release

- 54 Consistent with section 9(2)(f)(iv) of the Official Information Act 1982, the content in this paper is under active consideration until final decisions relating to Budget 2019 have been made. Proactive release of this paper will be considered closer to Budget release day in May 2019.

## Recommendations

- 55 The Minister for Children recommends that the Committee:
- 1 **note** that on 5 November 2018 Cabinet:
    - 1.1. agreed to the investment areas required to transform the care system in line with new legislative obligations [SWC-18-MIN-0152 refers]
    - 1.2. agreed to provide for a relationship-based service to meet the new legislative obligations that prioritise the early preparation of young people for their transition from care or a youth justice residence, and provides a strong level of support throughout their transition, subject to decisions in Budget 2019 [SWC-18-MIN-0153 refers]
    - 1.3. noted that the Minister for Children intended to report back to the Cabinet Social Wellbeing Committee in November 2018 to request pre-commitment funding in order to resource immediate work needed before 1 July 2019 to meet new legislative obligations relating to the care system and the transition support service [SWC-18-MIN-0148; SWC-18-MIN-0151; SWC-18-MIN-0153 refer]

**2** **note** that on 26 September 2016 Cabinet:

- 2.1. agreed to introduce new legislative provisions into the Oranga Tamariki Act 1989 (the Act) relating to information sharing relating to vulnerable children and young people
- 2.2. noted that the costs of implementing and operating the new information sharing provisions would need to be sought through the Budget process [CAB-16-MIN-0494 refers]

**3** **note** that preparatory changes:

- 3.1. need to be made prior to 1 July 2019 to meet the new legislative provisions to transform the care system, establish the transition support service and introduce the new information sharing provisions
- 3.2. require investment in frontline workforce changes, implementation resources and system changes

**4** **note** that the costs required for the preparatory changes in 2018/19, and the costs required in the outyears from 2019/20 onwards, cannot be met within Vote Oranga Tamariki—Ministry for Children baselines

**5** **agree** to set aside the following amounts as a pre-commitment against the Budget 2019 operating allowance for the cost necessary to support the preparatory changes to transform the care system, establish the new transition support service, and introduce the new information sharing provisions with a corresponding impact on the operating balance:

Initiative name	\$m – increase				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Preparatory work for July 2019 legislative changes	17.700	24.513	19.271	15.001	15.001

**6** **approve** the following changes to appropriations to give effect to the policy changes required outlined in recommendation 5 above with a corresponding impact on the operating balance:

Vote Oranga Tamariki Ministry for Children	\$m – increase				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Investing in Children and Young people MCA	17.700	24.513	19.271	15.001	15.001

**7** **agree** that the changes to appropriations for 2018/19 in recommendation 6 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply

**8** **agree** that the expenses incurred under recommendation 6 above be a pre-commitment against Budget 2019 operating allowance

- 9 **note** that on 19 December 2016 Cabinet approved \$4.5 million for the *Transformation Programme: Investing in New Zealand Children and Their Families* appropriation to fund the *Engaging all New Zealanders* programme [SOC-16-MIN-0196 refers]
- 10 **note** that \$2.2 million for *Engaging all New Zealanders* was not able to be transferred into the 2018/19 year through the October Baseline Update process due to an error in the earlier in-principle expense transfer request that misidentified the appropriation from which to transfer the funding
- 11 **approve** an increase of \$2.2 million to the *Investing in Children and Young People* MCA for *Engaging all New Zealanders*, which will have no impact on the operating balance or net core Crown debt

Vote Oranga Tamariki Minister for Children	\$m – increase/(decrease)				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Multi-category Expenses and Capital Expenditure: Investing in Children and Young people MCA Departmental Output Expenses					
Statutory Intervention and Transition (funded by revenue Crown)	2.200	-	-	-	-

- 12 **agree** that the proposed changes to appropriations for 2018/19 in recommendation 11 above be included the 2018/19 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

Authorised for lodgement

Hon Tracey Martin  
Minister for Children

## Appendix A: Additional information on financial implications

Operating expenditure	\$ m – increase/(decrease)					Total
	2018/19	2019/20	2020/21	2021/22	2022/23	
<b>Workforce</b>						
Care system frontline workers (para 24 to 30)	4.577	11.994	11.994	11.994	11.994	52.553
Transition support service workers (para 31 to 32)	1.675	5.446	0.283	0.283	0.283	7.970
Contact centre staff – transitions (para 33)	0.182	0.728	0.728	0.728	0.728	3.094
<b>Implementation resources</b>						
Care programme team costs (para 36.1)	1.085	1.970	1.970	-	-	5.025
Transitions programme team costs (para 36.1)	1.357	2.200	2.200	-	-	5.757
Regional implementation support roles (para 36.2)	0.649	1.416	1.416	1.416	1.416	6.313
Professional development – training and resources (para 36.3)	1.276	-	-	-	-	1.276
Communications and engagement (para 36.4)	0.640	-	-	-	-	0.640
Quality assurance and monitoring (para 36.5)	0.302	-	-	-	-	0.302
Tools for recording life events (para 36.6)	0.380	-	-	-	-	0.380
NGO providers preparation costs (para 36.7)	1.262	-	-	-	-	1.262
Information sharing provisions (para 36.8)	0.467	0.179	0.100	-	-	0.746
<b>System changes</b>						
CYRAS <sup>12</sup> updates (para 37)	1.930	-	-	-	-	1.930
Caregiver information system (para 38)	1.918	0.580	0.580	0.580	0.580	4.238
<b>Grand total</b>	<b>17.700</b>	<b>24.513</b>	<b>19.271</b>	<b>15.001</b>	<b>15.001</b>	<b>91.486</b>

12 The full name for CYRAS is Care and Protection, Youth Justice, Residential and Adoption Services.



# Cabinet Social Wellbeing Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Transforming Our Response to Children and Young People at Risk of Harm: Pre-commitment Funding

Portfolio Children

On 28 November 2018, the Cabinet Social Wellbeing Committee (SWC):

- 1 **noted** that on 5 November 2018, SWC:
  - 1.1 agreed to the investment areas required to transform the care system in line with new legislative obligations [SWC-18-MIN-0152];
  - 1.2 agreed to provide for a relationship-based service to meet the new legislative obligations that prioritise the early preparation of young people for their transition from care or a youth justice residence, and provides a strong level of support throughout their transition, subject to decisions in Budget 2019 [SWC-18-MIN-0153];
  - 1.3 noted that the Minister for Children would report back to SWC in November 2018 to request pre-commitment funding in order to resource immediate work needed before 1 July 2019 to meet new legislative obligations relating to the care system and the transition support service [CAB-18-MIN-0148, SWC-18-MIN-0151, SWC-18-MIN-0153];
- 2 **noted** that in September 2016, the previous government:
  - 2.1 agreed to introduce new legislative provisions into the Oranga Tamariki Act 1989 (the Act) relating to sharing information about vulnerable children and young people;
  - 2.2 noted that the costs of implementing and operating the new information sharing provisions would need to be sought through the Budget process;
 

[CAB-16-MIN-0494]
- 3 **noted** that preparatory changes:
  - 3.1 need to be made prior to 1 July 2019 to meet the new legislative provisions to transform the care system, establish the transition support service and introduce the new information sharing provisions;
  - 3.2 require investment in frontline workforce changes, implementation resources and system changes;

4 **noted** that the costs required for the preparatory changes in 2018/19, and the costs required in the outyears from 2019/20 onwards, cannot be met within Vote Oranga Tamariki—Ministry for Children baselines;

5 **agreed** to set aside the following amounts as a pre-commitment against the Budget 2019 operating allowance for the cost necessary to support the preparatory changes to transform the care system, establish the new transition support service, and introduce the new information sharing provisions with a corresponding impact on the operating balance:

Initiative name	\$m – increase				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Preparatory work for July 2019 legislative changes	17.700	24.513	19.271	15.001	15.001

6 **approved** the following changes to appropriations to give effect to the policy changes required outlined in paragraph 5 above with a corresponding impact on the operating balance:

Vote Oranga Tamariki Ministry for Children	\$m – increase				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Investing in Children and Young people MCA	17.700	24.513	19.271	15.001	15.001

7 **agreed** that the changes to appropriations for 2018/19 in paragraph 6 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

8 **agreed** that the expenses incurred under paragraph 6 above be a pre-commitment against Budget 2019 operating allowance;

9 **noted** that in December 2016, the previous government approved \$4.5 million for the *Transformation Programme: Investing in New Zealand Children and Their Families* appropriation to fund the *Engaging all New Zealanders* programme [SOC-16-MIN-0196];

10 **noted** that \$2.2 million for *Engaging all New Zealanders* was not able to be transferred into the 2018/19 year through the October Baseline Update process due to an error in the earlier in-principle expense transfer request that misidentified the appropriation from which to transfer the funding;

- 11 **approved** an increase of \$2.2 million to the *Investing in Children and Young People MCA* for *Engaging all New Zealanders*, which will have no impact on the operating balance or net core Crown debt:

Vote Oranga Tamariki Minister for Children	\$m – increase/(decrease)				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Multi-category Expenses and Capital Expenditure: Investing in Children and Young people MCA Departmental Output Expenses					
Statutory Intervention and Transition (funded by revenue Crown)	2.200	-	-	-	-

- 12 **agreed** that the changes to appropriations for 2018/19 in paragraph 11 above be included the 2018/19 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

Jenny Vickers  
Committee Secretary

**Present:**

Hon Grant Robertson  
Hon Phil Twyford  
Hon Andrew Little  
Hon Carmel Sepuloni (Chair)  
Hon Dr David Clark  
Hon Nanaia Mahuta  
Hon Stuart Nash  
Hon Jenny Salesa  
Hon Tracey Martin  
Hon Peeni Henare  
Hon Willie Jackson  
Hon Aupito William Sio  
Hon Julie Anne Genter  
Jan Logie, MP

**Officials present from:**

Office of the Prime Minister  
Department of the Prime Minister and Cabinet  
Office of the Chair of SWC  
Officials Committee for SWC

**Hard-copy distribution:**

Minister for Children